

Message Text

LIMITED OFFICIAL USE

PAGE 01 CAIRO 10150 131701Z

66

ACTION EB-07

INFO OCT-01 NEA-06 ISO-00 AID-05 CIAE-00 COME-00 FRB-01

INR-05 NSAE-00 RSC-01 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-01

CEA-01 AGR-05 /067 W

----- 055372

R 131557Z DEC 74

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 790

LIMITED OFFICIAL USE CAIRO 10150

E.O. 11652: NA

TAGS: EAID EFIN EG IMF

SUBJ: EGYPT AND THE IMF

REF: CAIRO 9247

1. AS REPORTED REFTEL, IT APPEARED THAT A NUMBER OF OBSTACLES
STOOD IN PATH OF IMF LOAN TO EGYPT. RECENT CONVERSATIONS HAVE
INDICATED THIS WAS, INDEED, THE CASE.

2. IMF DEL HAS RETURNED TO WASHINGTON, EVIDENTLY WITH INTENTION
OF DISCUSSING WITH EXECUTIVE DIRECTORS CURRENT STATUS OF IMF/
GOE NEGOTIATIONS. UNWILLINGNESS OF EGYPTIANS TO EXPAND PARALLEL
MARKET TO INCLUDE ALL EXPORTS AND IMPORTS (WITH EXCEPTIONS SUB-
SIDIZED COMMODITY IMPORTS AND TRADITIONAL AGRICULTURAL EXPORTS),
AND INABILITY TO PRODUCE ACCURATE AND DETAILED STATISTICAL INFORMA-
TION, WILL EVIDENTLY REQUIRE FURTHER NEGOTIATIONS BEFORE ANY FINAL
AGREEMENT CAN BE REACHED.

3. EGYPTIANS ARE APPARENTLY HOPEFUL THAT SOME FORM OF AGREEMENT
IS POSSIBLE WHICH WILL PERMIT EITHER PARTIAL OR PIECE-
MEAL ASSISTANCE TO BE GRANTED FROM \$300 MILLION STANDBY IN EXCHANGE
FOR A STEP-BY-STEP ADOPTION OF THE POLICIES WHICH IMF FEELS MUST BE
FOLLOWED ECONOMICALLY. THEY EXPECT THAT IN MONTHS TO COME SOME
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CAIRO 10150 131701Z

PROGRESS IN THIS DIRECTION MAY BE POSSIBLE.

4. COMMENT: IMF REQUIREMENT FOR (RELATIVELY) ACCURATE AND COMPLETE STATISTICAL INFORMATION ON EGYPTIAN ECONOMIC SITUATION HAS BEEN SOURCE OF CONSIDERABLE BUREAUCRATIC HAGGLING WITHING GOE. SEVERAL MINISTRIES AND AGENCIES HAVE INSISTED THAT THEY, ALONE, HAVE BOTH RESPONSIBILITY AND POSSIBILITY OF PERFORMING THIS FUNCTION. OF PARTICULAR INTEREST, EVIDENTLY, IS DESIRE TO HAVE CONTROL OF FOREIGN DEBT STATISTICS. DUE TO OTHER PRESSURES ON PM HEGAZI, HE HAS EVIDENTLY BEEN UNABLE SETTLE THIS QUESTION WITH RESULT THAT NO ONE AS YET CAN PRODUCE NEEDED AND FULLY COORDINATED INFORMATION. AS ILLUSTRATION THIS PROBLEM, WE WERE TOLD OF EMBARRASSMENT WHICH RESULTED FROM IBRD REQUEST FOR AGRICULTURAL STATISTICS IN RESPONSE TO GOE PROPOSAL FOR AID TO AGRICULTURE NEEDED AS RESULT OF LOSSES IN PRODUCTIVITY. IN RESPONSE TO BANK'S REQUEST MINAG PRODUCED DATA SHOWING PRODUCTION MARKEDLY UP, ALTHOUGH MINSUPPLY STATISTICS SHOW RECEIPTS ARE DOWN.

EILTS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INTERNATIONAL ORGANIZATIONS, FINANCIAL PROGRAMS, CREDIT AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 13 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974CAIRO10150
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740363-0296
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741238/aaaabgcj.tel
Line Count: 78
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 74 CAIRO 9247
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 14 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14-Aug-2002 by martinml>; APPROVED <18 MAR 2003 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EGYPT AND THE IMF
TAGS: EAID, EFIN, EG, IMF
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005